TRADE ON WALL ST.

Average Higher

Sun, totaled 1,306,200 shares.

is bility having been determined.

to three points on the average.

14 like were more active than usual.

The buying which went on today.

ow prised rails, a handful of special-

Western Maryland, New Haven and the

United States Steel recovered a good

portion of its recent less, but other metal shares held comparatively steady

General Cigars and California Petrofour moved into new high ground, while

Stutz Motor callied seven points or so at one time. Central Leather's quar-

terly earnings made a splendid show ing and the stock improved somewhat.

There was no change in money con-

ditions. Call loans ruled at 6 and 7 per cent, but these relatively low rates

were hardly symptomatic of the scare-

ity of accommodation. Banking opinion as to the future money situation

by no means hopeful. It is predicted in one quarter that within a few weeks

rates will rule close to 10 or 12 per

cent. High money, however, is an evi-

very little of financial interest. Trading sentiment was highly mixed and

whenever prices advanced to any extent.

check the movement. Commission houses

continued to advise caution in enter-

The market neld its early gains very

well, and in some cases the best prices

Dutch featured the oil stocks, selling up

more than 3 points from its recent low

Trading was on a slightly heavier scale than yesterday,

changes. Sterling yielded a point or so, while francs were a trifle firmer. Cot-

ton was strong, up nearly \$3 a bale on

Local Bid and Asked

CHICAGO BUTTER AND EGGS

PROPOSALS FOR RAILWAY TRACK CON-STRUCTION
Department of City Transit
(ity of Philadelphia
1211 Chestnut street

unfavorable weather conditions.

The foreign exchange market was less

4 ing into new commitments, but generally adopted the rather neacommittal

tritude that standard share

dence of great commercial activity. Outside of the market itself, there was

ties and some of the oil stocks. Flue-

iftermon is as follows:

#### Some Remarkable Records of Earnings

Investors have learned the wisdom of studying the annual earnings for a period of years of the corporations whose securities they think of

buying. We offer securities of several companies whose annual earnings were not seriously af fected by the war and are now so remarkable that they command particular attention. For complete data send

for Offering No. F-30.

#### GHANDLER & GOMPANY

Franklin Bank Bidg. Philadelphia New York

#### To Holders of Cities Service Company

Convertible Gold Debentures Series B, Seven Per Cent.

Henry L. Doherty & Co.

Dared John to turn

New Issue Ready for Delivery Tax Exempt in Pennsylvania Interest Free of all Federal

Radnor Township. Pa., School District

41/2's Due Serially June, 1924-44-49

Particulars upon application A. B. Leach & Co., Inc. 115 South Fourth Street PHILADELPHIA, PA.

FOR THE STATE OF T

# \$35,000 Loan

Security, \$55,000 worth of old - established local dividend-paying corporamission. Phone Mr. Hepburn.

Butto & Sup C 290's 277's Calif. Petrol ... 437's 400's

Cent Phy Co. 515, 82.

Cen Fdy Co pr 66

Chi Great West 1112 C the West of 2012

ons Inter C M 18

Greeport Texas, 56%, 51

Gi Nor Or subs 47%

Gulf States Sti 65

Int Mer Marine 62

Jones Bros... 41 Iowa Central. 83

Jewel Tea .... 38

Intl Paper

Gen Motors deb 89%, 88%,

Haskell & Bkr 64% 60%

Interb Cus Crp 77, 75, do pref ..... 2812 28

Int Nickel . . . 30% 29%

So. . 23

Int Agricul ... 317s 30% 317

do rts ..... 25, 21, 25 Int H C (new) 139 139 139

do pref ....11634 11634 11654+

834

. 881<sub>8</sub> 871<sub>4</sub> 881<sub>8</sub> 4

RI& P.C. p. f. 661 a. 651 a. 661 

benver & R G 111 - 1115 1115-4 do pref .... 20 171, 191 End John .... 1121, 1061, 112

(Ca) Packing Co 70 | 69° | 69° + + Canadian Pac | 163° | 163° | -THE STEEL & TUBE CO. OF AMERICA 7% Cum. Pfd. Stock Amply protected by earnings, assets and sinking fund.

Price 98 and dividend to yield 7 14 % Chesa & Ohio 65

Circular on request. Townsend Whelen & Co. 505 Chestnut Street

### Canadian Municipal Bonds

Bought-Sold-Quoted FINCKE, BANGERT & CO. Franklin Bank Bldg., Philadelphia BOSTON NEW YORK

**BERGNER & ENGEL BONDS AND STOCK** Bought-Sold-Quoted Crawford, Patton & Cannon

sbers { Phile, Stock Exchange New York Stock Exchange Morris Building 61 B'way, New York

U. S. LIBERTY BONDS \$50, \$100, \$1000 FOR INVESTMENT Newburger, Henderson & Loeb 1410 CHESTNUT STREET

LIBERTY BONDS BOUGHT and SOLD Samuel K. Phillips & Co. 607 CHESTNUT STREET

\$50-\$100 LIBERTY BONDS BOUGHT AND SOLD

Biddle & Henry 104 SOUTH FIFTH STREET | do pref

## FINANCIAL NEWS—CLOSING NEW YORK AND PHILADELPHIA STOCK QUOTATIONS STOCKS MAKE PRONOUNCED GAINS ON NEW YORK 'CHANGE

Traders Declare Market Has Become Oversold-Virtually Everything on List Advances

High Points in Today's Financial News

Traders on the New York Stock Exchange are less gloomy than esterday, but business proceeds with caution. Little of interest levelops on the local exchange. The Curb market shows irregularity he foreign exchange market is less unsettled. December scores seaon's ligh in the corn pit. Cotton shows improvement. Bar silver is higher in New York and London.

New York, July 22 - The stock market rarely shows a more acute transition from weakness to strength than it did today. Even the trading ele-ment, which persistently fought the rise most of list week and was largely the brenk vesterday afternoon, declared the market had

prices showing games of I to a points in the last hour, no one seemed to be concerned over the recont leatures of the backerage houses recommending

Today's market really dal not call for specific mention, as virtually oversthing on the list informers. It was interesting to note that after-persistent weakness Texas and Photic shared the unward inevenient, ad-vancing from 500, to 50. Texas Company from 2700, a not gain of about

Stocks that case from 2 to 4 points included Statz Motors, which touched 117)2 from an early low of 112, Crascille Stool, American Car and Foundry, Pan American Periodoga, California Petroleum, Royal Datch of New York,

The railread-shares were bearn factor in hand with gains of 1 to 2 points in Reading. Southern Partis. Southern Railway, the St. Pauls, New Haven, Walush, Pere Margautte and others. In the bond market while showed an improved tone from kesterday,

Atchison infinistment is gained — Chiengo, Ruibegton and Quine joint is 1., City of Phys. 6, 1., United States Ruiber 5s 1., and I nited Kingdom 5.1.3s of 1921.14.						
NEW Y	ORK S	TOCK SAL	ES			
High Low	1956 T	W.o.	Los Close chi			
Adams Et 521 51	521, - 1s.	Kelly Sprefid 1201, 1				
Adr Rumels 1714 16		Konne Copper, 413,	407, 41%, +1			
		Ker Tire & R 102	00 102 +2			
do pref 782, 73		alle tide (Net	107 107			
Nax Rubber 1071 1063	107 10 -210	Land Manual Land	or entries			
Alaska Glid M 3 3 Alas Janena 25, 24	3	J. 15 480 44 131 2201	m 1 2			
Alas Tanena 22, 26	2.3	Left Valley 533	500 to 53 ty-			
Allis Conf. Co., 451 <sub>2</sub> 441 do need 95 95	95	Les Rub & T4 355	35tg 35tg +			
do need 95 95 Am Age Chene 1062, 1063	1000	I W Biscutt 7.1 I multiple P = 2281 s :	71 - 71 - 1			
Am Rest Sing 100% 803	2007	I mailing the good of	E- E-1, 1-3			
Am Con Star Star		Man Shirt 25% Mrs Mater 53%	357, 35%, +			
Am Can 50 574 do pref 1045, 1045	10375	The Motor 53%	2007 2337 + 5			
A C & Pils Co 117 114 Am Bank Note 52 52	11G . 2	vior ten mf 78	$700 \pm 78 - 1$			
Am Bank Note 52 52	50 - 1	do 2d of 39 Max 1 of Str 104	38 39 -			
Arms Courses Office (Calmy Will)	A 122	Mar 1 ppr Str 1011	104			
Am Disaggists 12% 12 Am Hole & L. 36 - 35	121/14	Mex Petrol 1951 <sub>2</sub>	180 1944 +			
Am Huge & L. 36, 115	1151	Minimi Con Cop 31 Minimis Steel 575,	201-20 201			
discreted 128%, 1254	4 T283 - 5.	31 & St L new 220.	700 A749+1			
		Mark & T 16%	11 to 11			
Am Ive Sec . 57 55	- 15 E	do of 91	11% 16 +2 22% 23% +1			
declined 25 24.	2 71 2 2	do of 24 Missouri Pac. 355,	3114 354 +			
Am Linson 71 73	73	the need 50%	565 Stiff			
Am Lee Suc. 57 55 de prof. 72 71 Am Lussond 71 73 do parf. 75 57 Am Lucomative 51 57 do pref. 107 107	27	Not Name 38%	381, 381, +			
Am Locamative 31 37	111	Not Beson pf. 11712	1171-1171			
do pref 107 107	107 - 14	Nat En & Sto Soll,	78 8010 1 1			
Am Smelting S55, 849 Am Bosel M. 1157, 1123	a series but	do prof102	102 102			
Am Bosch M. 115 - 112	2 11.2 2 - 12	Natronal Lead S3	SOT, STALL			
Amer Smill 128 127	120	Nevada Con Cp 211	2017 211 +			
Am Sum Tob., 112%, 1107	A THE R. T. P. N.	New York Cent SIL.	50' 511.4			
do pref 981, 98	191	N Y N H & H 367x	367 +			
Am Steel Edry 44 437 Am Sugar 1381, 1351	100	N 1 Om & W 23%	* PER TIL			
An Tel & Tel 1037, 1031	1035	Norf & West 1067s	Imi7, 1007,			
Am Tobacco 2007, 2087		Nor American, 5712				
You Wood 1943, 490	Partition of the last of	North Pacific, 9519				
the target 14005, 1000	11111 1	Vox Scotin St! \$4 Okla P & Ref 101.,	81 84 +3			
Constitution Design Section Section	The second secon		101, 101g 501, 581, +1			
Am Zine & Lol 25% 219 Amer Expuss 95 95	251	that Silver 77	11, 11,			
Amer Express 195 195	95	Owens Bar 560;	50 50%			
Am Z & 1, prof 4834, 623	y 173 - 21 <sub>2</sub>	Parithe Mail 38%,	384, 384, -			
Amer Expuses 95 95 Am Z & Laprel 6014 622 Amerodia 755 744 Assemble 9034 607 Abelisan 10042 100 dia pref 8554 85 Atl B & Atl 147 13 Bald Lago Ca 1111 107	7 75 - 12 r	Pan Am Pet., 1121,	107", 1121, 43			
Ass on 963 4 367	1 18 1 - 3x	Penn RR 46	455, 46 +			
Atcheor 100to 100	100.	Penn Sen Stl. 541.	51%, 58tg +1			
do pref	4 5011	Peoria & East 1941,	17 180			
Atl B & Atl, 14% 13	1 1112-	Peo Gas & C 501,	50% 50% +			
Bald Lore Co. 1115, 107	100	Pero Mar 24	91 21 / + 17 17 -			
Hale) & Onio 167, 16 do ned 511, 51	611	do neef 17	7 47 -			
CHARLEST AND		AND SECTION OF THE PARTY OF THE				
Par Mining the	18. 1	Dette M Mar. 55	55 55 395 395 5			
Bat Mining 1 1 1 Beth Steel 1812 37	975 - 972	Paris de la Maria	300 t 300 t			
Reth Steel B. 1001, 061.	10000 + 30	Pierce Agrow 597	750 40 -			
Reth Steel B. 1601, 961 do S to pref. 1141, 114	. 111'g	do prof	5714 5974 -			

Cent Leather 1112, 1072, 1103, +31, Cer de Pasca . 611<sub>8</sub> 581<sub>2</sub> 603<sub>4</sub> + 21<sub>2</sub> St Jos Lend Seab Air Line, 111, 111, Sears Rocbuck 210 Shuttnek Ariz, 17%, 161 8 P R Sug pr. 115

Piece Oil 23

South Pacific . 1085, 1071, 1071, Texas & Pac 50%, 57 Third Av R R 24<sup>1</sup>4 24 24<sup>1</sup>4 14 Tobacco Prod. 104<sup>1</sup>8 100<sup>1</sup>4 104<sup>1</sup>8 +3<sup>5</sup>8 Trans Williams do Elli Horn Fuel 40 (30  $39^{\circ}_{4} + 1)_{4}$ Erie  $18^{\circ}_{4} + 18 18^{\circ}_{4} + 3_{4}$ 7 Union Pacific 1335, 1331, 1335, + 1 do pref ... 72 72 72 3 United Alloy Sti 53 52 53 +1 1 United Cig Strs 195 | 1967, 1937, + 2

Fisher Body of 1007; 1007; 1007; Gaston Will ,  $35^{1}{}_{2}$   $32^{1}{}_{4}$   $35^{1}{}_{2}+$  Gen Cig Co ,  $94^{2}{}_{4}$  91 94 +Gen Elec Co., 1674, 167, 1674; Gen Motors : 228 220 228 do pf . . . . 91% 91% 91% Goodrich, B.F. 83% 81% 839 United By Inv 13  $13 - 7_{5}$ 1 8 C 1 P & F 23 do pref .... 1037, 1037, 1037, 1 S Realty 17  $\frac{42^{4}}{2}$   $\frac{17}{123^{4}}$   $\frac{+5}{126^{4}}$  8 Rubber 127  $\frac{123^{4}}{68}$   $\frac{126^{4}}{69^{4}}$   $\frac{19}{34}$ Grandy Mining 701s 701s 701s-Greene-Can Cpr 461, 461, 461, do pref ...  $117^{4}$ , 117 117 -14Utah Copper ..  $94^{4}$ ,  $92^{4}$ , 934, +19Hactman Corp. 921, 921, 921, Illinois Cent. ... 1011, 1011, 1011

Va Car Chem. 863 2 84
Va Tron C & C 66 66 66 -1
Wahash ... 163 66 66 -1
Wahash ... 163 113 13 +2
Plants and so
do pref A ... 363 35 364 + 138 from 121 Cb
25 24 25 +112 same with bits supplied 1
14 + 48 position from 121 cb | Month | Mont Famous Plyrs. 12012 118 11914+114 Willys Ov land 36%, 35%, 36%, 36%, 34 relationship with with the same wi 100 + 14 an Wilson Co ...101 Woodworth ... 1321, 1311, 1324, +2 Worth P & M 807, 77 803, +2

Total sales 1.443,700 shares compared of survith 1.576,700 shares sesterday.

## SEASON'S HIGH HIT BY DECEMBER CORN

**MOVES CAUTIOUSLY** Offerings Readily Absorbed by Commission Houses and Trading Element Less Gloomy Shorts-Oats Firmer Than Yesterday-Prices

Chicago, July 22 -- Lack of moisture in parts of the belt, a further advance in prices for hogs to the previous Stock sales today on the New York high mark of \$23 and predictions of exchange, as compiled by the Evening lighter receipts led to a good demand for corn today and kept the tone of the New York, July 22. The New York market firm. December scored a new Evening Sun's financial review this high mark for the season,

Local fitterests were inclined to fight Judged by the recovery in stocks tothe upturn, owing to unsettled econing, the selling movement, of yester-ing went a long way toward rectifying omic conditions, but all offerings were the technical position of the list. I'm absorbed by commission houses and unled by favorable news or any developments of market-wise bearing, stock covering by shorts, as foreign exchange whose turned abruptly for the better showed improvement. Offerings from this morning, suggesting that specula- the country were light, and scarcity of tive sentiment might change from one cars was again complained of. extreme to the other over night, but

Oats were firmer on crop complaints. that fairs in the fundamental conditions operating to advance prices was still in offerings were rather free at times, but they were taken care of. Threshing re-While the final weakness manifested turns generally were unsatisfactory. hy stocks restorday carried some inti- and this news offset more liberal re lower prices this morning, cripts. cert little further selling developed.

The improvement in foreign exchange \$2000 El & Peo This was because the oppfessional element was already short of the market though there was quiet buying in anticion a liberal scale and had invitingly pation of better export facilities, as from the source started prices on the up grade, and it did not take long to take the did not take large paper profits to convert. Buying Europe is in need of oats.

No Change in Refined Sugars however, was nothing like that which however, was nothing like that week. Operations for the openived last week. Operations for the sugar market shows no material change, advance were confined largely to the conditions and prices being the same as those recently recorded. The Naties and some of the oil stocks. Fluc-tuations were narrow for the most part and the trading element, while less glosmy than vesterday, was disposed to proceed with caution. Brices rose one to three points on the average.

Special interest was exhibited in such Raws also are unchanged at the fixed operties as Missouri, Kansas and properties as Missouri, Kansas and price of 7.28c for 96 centrifugals. The Fexus, General Cigars, Royal Dutch, United States equalization board made. California Petroleum, Stromburg Car-bureter and a number of rails. Wabash. no purchases of raws yesterday.

# Philadelphia Stocks

High Low Close chge. 45 Am Strs. 34 34 34 - 14 30 Am Gas. 68 100 Butte Sup 2014 2014 2014 +115 60 Brill J G 60 5734 60 +3 100 C S P&M 48% 48% 48% +1% 1393 Eler Stor 91 881, 91 150 Gen Asph 84 84 55 I C N A. 32 32 20 Insp Cop 65% 65% 65% + 635 Key Tel. 17% 16% 17 1495 Lk S Cor 2174 2114 2174+ 100 Leh Nav. 70 6819 70 +119 200 Mo Pac. 35% 35% 35% 35%+ 34

87 Third Nat Bk W., 25 25 25 O Eisen, 60 482 Pa R R. 4618 454 4618+ 5 Penn Bk.295 295 295 + 531 Phila Co 39 

6 Reading 1st pf. . 38 38 360 Ton Bel. 319 319 319 ...  $1200~\mathrm{U}~\mathrm{S}~\mathrm{Stl}, 109_{34}^{\mathrm{s}}~1074_{2}~1093_{4}^{\mathrm{s}} + 2$ 375 W Cra'p.190 190 190

69 69 - 14 Tr 4s., 69 th 1/4 93.46 93.44 93.44 36 per cent was bid on mixed collateral cables. Pesetas rallied to 19 for checks.

Victory and 19.10 for cables. 5000 Victory 18<sub>48</sub>... 2000 Ph Co 1st

9300 Phil Elec 1000 Span-Am Iron 6s.101% 101% 101% + % 1000 Welsbach

BUTTER, EGGS AND CHEESE New York, July 22 -BUTTER-Steady to rm Receipts 11.960 tubs. High scoring 07.75° extras. 34°, outside, firsts. 51°5 % 32°, seconds 49.9751c, state dairy, 51°5 34°.

531yc. seconds 49 % 51c. state dairy. 51 % Say. seconds 19 % 51c. state dairy. 51 % Say. Seconds 19 % 51c. storage packed extra firsts 50 % 52c. dirties No. 1 35 % 32c. dirties No. 2 35 % 34c. checks 31 % 33c. checks undergrade. 30 % 40c. firsts. 61 % 33c. checks undergrade. 30 % 40c. firsts. 61 % 52c. dirties No. 2 35 % 36c. pacific coast. 50 % 52c. western whites. 35 % 36c. pacific coast. 50 % 52c. western and southern gathered whites. 55 % 58c. gathered whites. 50 % 52c. western and southern gathered whites. 51 % 58c. gathered browns and mixed colors. 14 % 50c. tate to prime 55 % 61 c. state so first so f

### BUSINESS ON LOCAL 'CHANGE IS LACKING IN INTEREST

Market Is Irregular and Trend of Prices Continues Downward. Sales Are Confined to Small Lots-Rails Steady

Interest lagged at the opening of the Philadelphia Stock Exchange today, with the same irregularity that was noted yesterday and further evidence of a downward trend in prices. The market broadened somewhat during the day, although trading did not assume the volume of recent sessions. Sales were confined, for the most part, to odd lots.

Such changes as were made in prices were for the most part confined to fractions. Exceptions were Electric Storage, one of the leaders of the day, which was marked up 2 points at one time during the day; General Asphalt, which slipped off 3 points; Steel, marked up 2 points, and Butte Superior. which advanced 11/2 points on a sale of a hundred shares. American Gas de-

clined on a turnover of thirty shares The remainder of the list held out little of interest. Rails were steady during the entire session and little changes either way was noted in the mining

With the exception of United Gas Improvement and the Tonopahs, the home shares played little part in the day's proceedings. The bond section was virtually neglected. The largest sales were in Philadelphia Electric first 5s, which advanced fractionally.

MONEY-LENDING RATES Stocks 10.404 shares, compared with 11. 6, closed, 7; ruling rate, 6 per cent.

Stocks 10.404 shares sold yesterday.

Stocks 10.404 shares sold yesterday. The time money market continues firm upward reaction was in order

for all maturities.

LONDON-Money is quoted at 27's cables 7.40. Co 5s. 981 981 981 + 1 per cent. Discount rates, short bills. Bonds, \$24.200, compared with \$25.000 356 per cent.

BANK CLEARINGS

Bank clearings compared with corresponding day last two year.

1919
Phila 369.384.554 \$60.050 742 \$47.027.754
Boston 65.883.789 58 798 498 42.829.421
Y 1.157.234.437 629.196.055 506.314 271

NEW YORK-Money on call, mixed collateral, opened at 6 per cent; high, better tone to the foreign exchange mar-6: low, 5½; last, 5½; closed, 6; rul-ing rate, 6 per cent. Industrials opened ating on both sides of the market were

without special features. Offerings are Business was in diminished volume no larger than they have been of late, and sterling improved to 4.32 tor de-Some loans on all industrial collateral mand and 4.33 for cables. Francs were reported at 7½ per cent. Six better at 7.14 for checks and 7.12 for

154s... 99.96 99.96 99.96.

2b Co 1st
5s unsp.100 100 100 ...

2b Co 1st
5s unsp.100 100 100 ...

2b Colst
5s unsp.100 100 100 ...

2cent: time, 554 66 per cent: commercial paper, three to six months, 514 374; Stockholm checks, 24.60, cables 535, 964, 954, 954, 955, per cent, and six months, 6 per 24.80; Christiania checks, 23.50, cables 50 cent.

23.70; Copenhagen checks, 22.60, cables 22.80; Belgian checks, 7.42, DIVIDENDS DECLARED

Philadelphia Company, semiannual of 1.25 on preferred 5 per cent stock, payabla eptember 1 as registered August 8.

Special Notices

THOMAS COLLERY COMPANY
FIRST MORTGAGE 65. SINKING FUND
GOLD BONDS, DUE AUGUST 1, 1922
Notice is hereby given that Bonds. Nos.
11, 13, 17, 18, 25, 73, 82, 39, 124, 172, 173,
261, 200, 219, 220, 225, 239, 236, 278, for
\$1000 each, have been drawn for redemption
out of the moneys in the Sinking Fund, in
accordance with the provisions of the Mortgage, dated August 1st. This, securing the
same and will be paid at 102 is and accrued
interest at the office of the trustee. Fourth
and Chestnut Sis. Philadelphia, as of August
1, 1919, on which date interest thereos
ceases.

BROWN BROTHERS & CO.

BROWN BROTHERS & CO., Philadelph's, July 11, 1919.

## NEW YORK CENTRAL LINES \$15,000,000

# The Cleveland, Cincinnati, Chicago & St. Louis Railway Co.

TEN-YEAR 6% REFUNDING AND IMPROVEMENT MORTGAGE GOLD BONDS

Dated July 1, 1919

SERIES "A"

Due July 1, 1929

Interest payable January 1 and July 1

Redeemable as a whole on any interest day at 103 and accrued interest. Bonds in denomination of \$1,000 in coupon form registerable as to principal, and fully registerable, interchangeable. Bonds in denomination of \$500 in coupon form registerable as to principal only. Bonds in denomination of \$100 in coupon form only.

Principal and interest payable in New York City.

GUARANTY TRUST COMPANY OF NEW YORK and FRANK I. LITTLETON Trustees

These bonds will be part of a total authorized issue of \$20,000,000 Series "A" bonds to be issued under the Refunding and Improvement Mortgage, dated June 27, 1919, which also secures the Company's Four Per Cent. Twenty-Year European Loan of 1910 and its Twenty-Year Four and One-half Per Cent. Gold Debentures of 1911 on a parity with all bonds to be issued therc-

The mortgage will provide that the Company may not issue bonds beyond the amount of \$25,000,000 (including such Series "A" bonds) except for not over 80% of the cost of work done or of property acquired and with the consent of a majority of the preferred stock outstanding, and on condition that income applicable to interest charges, for twelve consecutive months out of eighteen months next preceding such issue, shall not be less than 11/2 times interest charges, including interest upon the bonds to be issued. The foregoing limitations do not apply to bonds issued for refunding prior liens, the European Loan of 1910 and the Debentures of 1911, as authorized by the mortgage.

The Company agrees that all advances by the Railroad Administration, excepting advances on account of allotment of equipment, will be paid off from the proceeds of these bonds. The Company states, that in the last four years surplus earnings, after payment of all fixed charges and dividends, amounted to \$18,620,966, and were expended by the Company for additions and betterments, new equipment and other corporate purposes, while bonds and equipment trust certificates outstanding were reduced by \$2,435,000; on the basis of actual earnings from operation, net income for the year ending December 31, 1918, would have amounted to \$15,481,258, had these earnings been received by the Company instead of by the Government, against fixed charges of \$6,026,105, or more than two and one-half times fixed charges; on the basis of the compensation payable by the Government (which is \$4,750,000 less than was actually earned). the company's income for the year ending December 31, 1918, amounted to \$10,772,277, or more than one and three-quarter times fixed charges. Since substantially the entire proceeds of these bonds will be used to retire outstanding indebtedness, interest charges will not be materially

The Company reports that expenditures made during the last four years are reflected in the expansion of gross revenues and income shown in the following table:

Year Ended Dec. 31	Income after Deducting Charges for Hire of Equip- ment and Joint Revenues Facility Rents		Charges	Bolance
1915	\$38,364,087	\$ 9,329,976	. \$5,952,922	- \$3,377,054
1916	46,678,240	13,979,323	5,676,587	8,302,736
1917	52,650,920	10,997,359	5,769,862	5,227,497
1918	71,403,970	15,481,258	6,026,105	9.455,153

In the above table, "Income, etc.," and "Balance" for 1918 are stated on the basis of actual operations, with the addition of non-operating income. The Company's income for 1918, including the compensation payable by the Government, was \$10,772 277.

WE OFFER THE ABOVE BONDS FOR SUBSCRIPTION AT 98 AND ACCRUED INTEREST. YIELDING OVER 614%

Subscription books will be opened at the office of J. P. MORGAN & CO. at 10 o'clock A. M., July 22, 1919,

and will be closed in the discretion of the Syndicate Managers. THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

Amounts due on allotments will be payable at the office of J.P. MORGAN & CO., in New York funds, to their order against delivery of Temporary Bonds, when, as and if received from the Company, and the date of payment will be given in the notices of allotment.

J. P. MORGAN & CO.

FIRST NATIONAL BANK

NATIONAL CITY COMPANY

GUARANTY TRUST COMPANY OF NEW YORK

Dated July 22, 1919.